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* By Hand


Kathryn M. Stasko

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ORIGINAL



March 22, 1996

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MAR 22 1996

William F. Caton, Acting Secretary
Federal Communications Commission
1919 M Street, NW
Washington, D.C. 20554

FEDERAL COMMUNICATIONS COMMISSION
OFFICE OF SECRETARY

Re: *Gen Docket Nos 95-91, 90-357*

DOCKET FILE COPY ORIGINAL

Dear Mr. Caton:

Satellite CD Radio, Inc. hereby updates the Commission on the relationship between bandwidth and channel capacity for satellite DARS. CD Radio's most recent rulemaking comments contained an extensive discussion of the requirements for transmitting multiple high-quality audio channels in a given license bandwidth. Comments of CD Radio, Appendix B, at 9-13 (filed September 15, 1995). As indicated in CD Radio's Comments, a variety of multiplexing techniques may in theory be used: time division multiplexing (TDM), code division multiplexing (CDM), and frequency division multiplexing (FDM). The choice of multiplexing technique involves complex engineering choices related to available radio frequency spectrum, satellite radiated power, signal quality requirements, number of channels to be transmitted, and other factors.

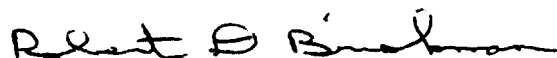
CD Radio's efforts to share available spectrum with other applicants have led CD Radio to agree to operate within a single 12.5 MHZ band. Under these circumstances, it is not possible to achieve acceptable signal quality and reliability at satellite power flux densities believed coordinatable with Canada using TDM or FDM. (CD Radio originally contemplated using TDM with the expectation of significantly greater bandwidth being made available.) Therefore, CD Radio now plans to use CDM in its operational satellites, and has designed its system accordingly. If the Commission authorizes a 12.5 MHZ band for CD Radio, we would expect to submit a minor amendment to our system application reflecting the use of CDM to comply with the Commission's bandwidth requirements and to maintain our desired service parameters.

Having chosen code division multiplexing in order to share S-band with other users, CD Radio notes that the selection of license bandwidth becomes all the more critical. A license bandwidth of 12.5 MHZ, with which all current applicants have concurred, permits derivation of 33 high quality channels using CDM -- and an economically viable service must be able to offer at least this number of channels. Reduction of that bandwidth, however, would have severe consequences in terms of channel capacity and economics. Each music channel on both satellites is uniquely coded so that they do not interfere with each other, even though they occupy the same radio frequency spectrum at the same time. This is accomplished by coding each channel so it is orthogonal to the others using special codes (e.g., balanced Gold codes). As radio frequency

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bandwidth is reduced, for the same channel data rate, the number of possible balanced Gold codes drops by factors of approximately two. For radio frequency bandwidth less than 10 MHZ, the capacity of the band is reduced to 17 channels, compared to 33 channels at 12.5 MHZ.

Sincerely,

A handwritten signature in cursive script, appearing to read "Robert D. Briskman".

Robert D. Briskman
President



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March 29, 1996

DOCKET FILE COPY ORIGINAL

William F. Caton
Acting Secretary
Federal Communications Commission
1919 M Street, NW, Room 222
Washington, D.C. 20554

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MAR 29 1996

FEDERAL COMMUNICATIONS COMMISSION
OFFICE OF SECRETARY

Re: Ex parte filing,
IB Dkt. No. 95-91/ GEN Docket No. 90-357

Dear Mr. Caton:

On March 28, 1996, the undersigned had a conversation with Ronald T. Repasi of the International Bureau. The conversation concerned CD Radio's change to code division multiplexing (CDM) from time division multiplexing (TDM), in response to its agreement to use no more than 12.5 MHz bandwidth¹. The following summarizes the discussion.

The change to CDM required CD Radio to alter certain parameters of its system design. One design element necessarily remained constant: the use of spatial diversity (*i.e.*, transmission of identical signals from two widely separated satellites). Spatial diversity enables CD Radio to provide, in a mobile environment, the high-quality audio signals that the listening public expects.

The change to CDM provides a measure of increased resilience to fading and noise compared to TDM. As a result, the forward error correction for the current system design is rate $\frac{1}{2}$ coding. In a 12.5 MHz bandwidth, relying on a spatially diverse architecture, using CDM, and operating at satellite radiated power flux density levels that make feasible coordination with Canada, CD Radio's system provides 33 CD-quality audio channels.²

If CD Radio abandoned spatial diversity and operated a single satellite system, it would be possible to transmit 66 channels. However, their transmission would have dramatically reduced quality, with little ability to overcome fading and blockage. In our view, such a system would be commercially unacceptable to most consumers. Additionally, to overcome multipath, satellite power would have to be increased by 10 times or more. This approach would itself have two drawbacks. First, a ten-fold increase in power would increase satellite radiated power flux

¹ See Joint Comments of the DARS Applicants (September 15, 1995).

² Comments of CD Radio, Appendix B (September 15, 1995).

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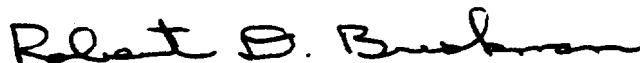
William F. Caton

March 29, 1996

Page 2

density levels at the U.S. border by 10 dB or more, making coordination with adjacent countries, especially Canada, correspondingly much more difficult. Second, a 10 fold increase in power is prohibitively expensive and may be beyond current satellite design state of the art.

Sincerely,

A handwritten signature in black ink, appearing to read "Robert D. Briskman". The signature is fluid and cursive, with the first name "Robert" being more prominent than the last name "Briskman".

Robert D. Briskman
President

cc: Ronald T. Repasi

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SEP 15 1995

FEDERAL COMMUNICATIONS COMMISSION
OFFICE OF THE SECRETARY

Before the
FEDERAL COMMUNICATION COMMISSION
Washington, D.C. 20554

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SEP 15 1995

FEDERAL COMMUNICATIONS COMMISSION
OFFICE OF THE SECRETARY

In the Matter of:

Establishment of Rules and Policies for the
Digital Audio Radio Satellite Service in the
2310-2360 MHZ Frequency Band

IB Docket No. 95-91
GEN Docket No. 90-357
RM No. 8610

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Comments of CD Radio

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Dated: September 15, 1995

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E. The Commission's Rules Should Facilitate the Use of Terrestrial Gap Fillers to Optimize Satellite DARS Coverage

Even though CD Radio will employ satellite and frequency diversity to improve its coverage, some terrestrial gap fillers will still be necessary to maximize coverage. Thus, the rules governing terrestrial gap fillers should be sufficiently liberal to easily allow satellite DARS licensees to optimize their coverage. CD Radio favors rules that permit flexible use of terrestrial gap fillers to retransmit signals received from operating satellite DARS systems on the same frequency and using the same bandwidth as the satellite transmitters. By adopting such rules, the Commission will ensure satellite DARS service in areas poorly served (*e.g.*, urban canyons) by satellite signals.

For similar reasons, gap fillers should be permitted on the same frequencies as satellite transmitters. These frequencies have been allocated to DARS and "complementary

²¹⁸ *NPRM*, ¶ 54.

²¹⁹ Similarly, the FCC should leave it to the marketplace to regulate the maximum number of channels that can be provided by each licensee.

terrestrial" repeaters²²⁰ and are therefore readily available.²²¹ Receivers designed to tune a different terrestrial frequency would be costly and might thwart the widespread deployment of satellite DARS receivers, as well as being spectrally inefficient.

In addition, the Commission should permit satellite DARS licensees to construct gap fillers without prior approval or even notification -- an approach similar to that used for the construction of interior cell sites in Part 22 of the Commission's rules.²²² Cellular licensees governed by Part 22 need not notify the FCC of the construction of cell sites that do not affect the "outer cloud" of the licensee's cellular geographic service area.²²³ Likewise, gap fillers within a satellite DARS provider's coverage area should be permitted without prior FCC notification.²²⁴

²²⁰ See *Allocation Order*, 10 F.C.C. Rcd at 2318.

²²¹ The *NPRM*'s proposed Section 25.144(a)(2) includes, without elaboration in the text, "radio astronomy service" within the allocated bandwidth for satellite DARS. CD Radio questions the necessity of this language. See Appendix E hereto (red-lined version of *NPRM*'s proposed rules).

²²² See 47 C.F.R. § 22.165 ("additional transmitters for existing systems") (providing that a cellular licensee may operate additional transmitters at additional locations on the same channel block as its existing system without obtaining prior Commission approval).

²²³ See *id.* § 163(e) (notification required for modifications affecting cellular geographic service area boundary).

²²⁴ As with cellular, see *id.* at § 22.163, exceptions to this rule may have to be made for gap-filler repeaters located near adjacent country co-frequency systems. Cf. *id.* at § 1.955 (1994) (coordination with Canada for land mobile stations above 30 MHz); 47 C.F.R. § 73.207(b)(2-3) (1994) (coordination with Canada and Mexico for FM broadcast stations). CD Radio thus proposes that terrestrial gap fillers located within 68 kilometers of the Canadian or Mexican border require prior coordination with adjacent country co-frequency systems. Appendix E hereto includes the proposed text of the relevant rules (see proposed 47 C.F.R. § 25.221).

Finally, CD Radio firmly supports the FCC's proposal to limit terrestrial operation of gap fillers only to repeat signals received from an operating satellite DARS service.²²⁵

This ensures that licensees build a satellite rather than an S-band terrestrial DARS System.

Before the
FEDERAL COMMUNICATION COMMISSION
Washington, D.C. 20554

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OCT 13 1995

FEDERAL COMMUNICATIONS COMMISSION
OFFICE OF SECRETARY

In the Matter of:

Establishment of Rules and Policies for the
Digital Audio Radio Satellite Service in the
2310-2360 MHz Frequency Band

IB Docket No. 95-91
GEN Docket No. 90-357
RM No. 8610

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VI. THE RECORD SUPPORTS FCC ADOPTION OF TECHNICAL RULES THAT ALLOW SATELLITE DARS LICENSEES MAXIMUM FLEXIBILITY TO BETTER SERVE THE PUBLIC

Commenters who addressed technical issues raised in the *NPRM* supported CD Radio's call for rules that are designed to permit satellite DARS licensees maximum flexibility in structuring their service offerings in order to be responsive to marketplace demands.¹⁴⁵ As CD Radio commented, technical rules should reflect the fact that satellite DARS is a new service which must overcome technical and marketing issues that, while no longer barriers to the efficient provision of service, nonetheless counsel against rigid or heavy-handed regulation that might stultify it. Commenters broadly agree with this approach. Nonetheless, a few issues merit brief discussion.¹⁴⁶

¹⁴⁵ AMRC at 20; DSBC at 47; Primosphere at 36.

¹⁴⁶ In addition, the Commission should confirm that consumers may rely on the authorization of a satellite DARS provider and need not obtain any additional license or registration for the receive-only mobile earth stations used to obtain the service. Notably, the receive-only dishes used by consumers to receive DBS are not subject to a licensing requirement nor, for that matter, are other types of receive-only satellite earth stations used for domestic service. See 47 C.F.R. § 25.131(b) (imposing no licensing or registration requirement for receive-only earth stations, but permitting registration for protection from terrestrial microwave stations in shared bands). Indeed, the Commission consistently and for good reason has declined to impose any subscriber license obligation on equipment used to receive subscription services, even where the equipment units also transmit. See, e.g., *id.*, § 22.927 (mobile stations receiving service from cellular system are considered to be operating under the authorization of the system); *id.*, § 22.571 (mobile stations in two-way paging service operate under authorization of serving system); *id.*, § 25.141 (user

First, while one commenter questioned the applicants' proposed link margins, it is clear that debate on the evidence submitted in support of this proposition is neither required nor appropriate in this proceeding. As documented in its prior technical submissions, CD Radio's link margin is more than adequate to deliver CD-quality service to consumers. Although reasonable minds can differ as to the optimal link margin, CD Radio -- like all other satellite DARS providers -- has a compelling incentive to ensure an adequate margin given that its planned nearly half a billion dollar investment would be imperiled if it failed to deliver subscribers high-quality audio.¹⁴⁷ In any event, link margins can and will be strengthened as necessary through the use of terrestrial gap fillers, as discussed below.¹⁴⁸ Hence, any concern over link margins should be directed toward ensuring that the FCC adopts rules that allow licensees to improve their systems, on a flexible basis, with gap fillers.¹⁴⁹

transceivers in radiodetermination satellite service need not be licensed, but are subject to service vendor's blanket license); *id.*, § 95.811(c) (each IVDS subscriber's in-home "response transmitter unit" is authorized under the IVDS system license serving the subscriber).

¹⁴⁷ See DSBC at 47.

¹⁴⁸ See *id.* at 48-49.

¹⁴⁹ In a related vein, one commenter raises the concern that cross-polarization may not provide adequate isolation for re-use during mobile conditions. As with link margins, neither CD Radio nor any other prospective provider has any incentive to operate in a way that would degrade, rather than enhance, service to the public. CD Radio continues to test cross-polarization and, of course, will not use this reuse technique if it proves unworkable.

Second, a scant few commenters express support for federal standardization of satellite DARS receivers.¹⁵⁰ These commenters argue that a standardized receiver will promote consumer acceptance of the new service and facilitate its viability. As indicated in its opening comments, CD Radio favors common receivers among DARS licensees that have implemented systems. All of the satellite DARS applicants jointly have agreed to cooperate in this effort.¹⁵¹ But standards for inter-operability and receiver tunability should be left in the capable hands of affected licensees and manufacturers. The FCC did not mandate compatibility among video DBS providers and, similarly, has never mandated government-imposed receiver standardization in other services such as PCS and LEOs. Since all providers have ample incentives to standardize, the FCC should leave this process to the marketplace. By the same token, formation of an FCC industry advisory committee is not appropriate at this time; the marketplace participants have already begun the work to derive common standards and will continue to do so of their own accord.

Third, the concern expressed by NAB and WFAN-AM that the use of terrestrial gap fillers would "transform the satellite DARS service into a terrestrial-based one" is baseless.¹⁵² In their Joint Comments, the satellite DARS applicants made it abundantly clear that they favor use of gap fillers only: (1) as a means to retransmit the signals of

¹⁵⁰ See, e.g., Comments of CEG/EIA at 7-9 (advocating an industry-developed minimum standard for both satellite and terrestrial DARS transmission to ensure that consumers can purchase full functioning DARS equipment at reasonable prices).

¹⁵¹ Joint Comments at 3-4.

¹⁵² NAB at 61; Comments of WFAN-AM at 1.

operating satellite DARS systems on the same frequency; and (2) as a way to improve the service link margin in difficult propagation environments.¹⁵³ Hence, this is a non-issue that should not distract the Commission from the more important requirement, referenced above, that satellite DARS licensees be allowed to operate terrestrial gap fillers without prior FCC approval or even notification under most circumstances.¹⁵⁴ By reducing the administrative burden of making satellite DARS systems more robust, the FCC will further the public interest in ensuring that all Americans have access to this new aural service.